

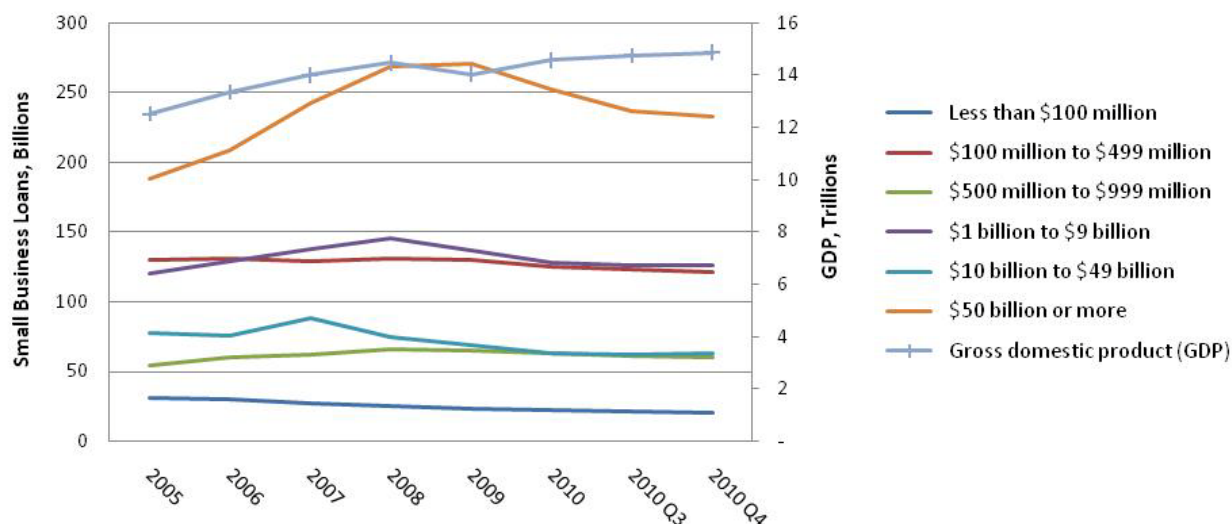
Small Business Lending: Fourth Quarter 2010

Small business loans outstanding by depository institutions declined by roughly 1 percent between September and December 2010 according to the FDIC's latest Call Report data. The change in macro business loans (\$100,000–\$1 million) outstanding was \$6.4 billion, from \$487 billion to \$481 billion or 1.3 percent less than the previous quarter. Micro loans (under \$100k) had a negligible increase (data not shown).

Lending by the smallest lenders (with assets less than \$100 million) declined the most of any category (-3.5 percent). Institutions in two asset size categories had small increases: lending in the \$1 billion–\$9.9 billion category increased by 0.16 percent and the \$10 billion–\$49.9 billion category by 1.32 percent.

Analysis of bank holding companies and other depository institutions (assets over \$50 billion) indicates that small business loans outstanding have stabilized since September. Overall, small business lending outstanding appears to be stabilizing when compared to the previous quarter. However, the general results show that aggregate small business lending has yet to follow the trend of gross domestic product (GDP) which had turned upward along with total business lending.

Aggregate Small Business Lending and GDP, 2005–Fourth Quarter 2010 (nominal)



Source: U.S. Small Business Administration, Office of Advocacy, based on Call Report data from the Federal Deposit Insurance Corporation.

The Quarterly Lending Bulletin is produced by Victoria Williams, economist, in the Office of Economic Research of the Office of Advocacy. Please direct questions to victoria.williams@sba.gov or (202) 205-6533. See the Advocacy publication, *Small Business Lending in the United States, 2009-2010*, for state rankings of small business lenders: www.sba.gov/content/banking-study-2010.

Release date: March 28, 2011